

Message Text

CONFIDENTIAL

PAGE 01 BUDAPE 02670 231506Z

50

ACTION EA-14

INFO OCT-01 EUR-25 NEA-14 ISO-00 DPW-01 IO-14 TRSE-00

OMB-01 AID-20 CIAE-00 DODE-00 PM-07 H-03 INR-11 L-03

NSAE-00 NSC-07 PA-04 RSC-01 PRS-01 SP-03 SS-20 DRC-01

SSO-00 /151 W

----- 113331

P 231121Z SEP 74

FM AMEMBASSY BUDAPEST

TO SECSTATE WASHDC PRIORITY 2022

INFO AMEMBASSY JAKARTA PRIORITY

AMEMBASSY MOSCOW PRIORITY

AMEMBASSY PARIS PRIORITY

AMEMBASSY SAIGON PRIORITY

AMEMBASSY TEHRAN PRIORITY

AMEMBASSY WARSAW PCEORITY

USIA WASHDC PRIORITY

C O N F I D E N T I A L BUDAPEST 2670

E.O. 11652:VHC DS

TAGS: MARR, AFIN, VS, HU

SUBJECT: GOH NOTICE OF PLANS RE ICCS FINANCIAL DIFFICULTIES

1. SUMMARY: GOH STATE SECY FOR FOREIGN AFFAIRS MARJAI CALLED IN AMB LATE SEPT 20 TO TELL HIM GOH CONSIDRED ICCS FINANCIAL DIFFICULTIES UNTENABLE AND WAS CONSIDERING JOINTLY WITH OTHER THREE MEMBERS EARLY WITHDRAWAL OF INSPECTION TEAMS FROM ALL SITES. MARJAI ALSO SAID THAT GOH WOULD NOT BE ABLE TO SUSTAIN FINANCIAL COSTS OF ICCS PARTICIPATION WITH ALL PERSONNEL IN SAIGON FOR VERY LONG. END SUMMARY.

2. STATE SECY FOR FOREIGN AFFAIRS MARJAI CALLED IN AMBASSADOR SEPT 20 TO MAKE DEMARCHE ON LATEST GOH VIEWS ON ICCS FINANCIAL DIFFICULTIES. MARJAI BEGAN REPEATING PREVIOUSLY STATED GOH POSITION THAT FINANCIAL RESPONSIBILITIES
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 BUDAPE 02670 231506Z

INCREASINGLY DIFFICULT TO FULFILL FOR HUNGARIAN SIDE

BECAUSE THEY EXCEED THOSE ACCEPTED AT BEGINNING AND SITUATION WORSENING. NOW, MARJAI SAID, SERVICES SUCH AS WATER AND LIGHTS HAVE CEASED AT REGIONAL SITES AND LOCAL TEAMS "CANNOT LIVE WITHOUT THEM." AND GOH ABSOLUTELY UNWILLING TO ASSUME THIS ADDITIONAL COST. THIS HAS CREATED COMPLETELY NEW SITUATION, MARJAI CONTINUED, IN WHICH ICCS MAY MAKE ITS FIRST UNANIMOUS DECISION IN A LONG TIME AND RECALL ALL PERSONNEL TO SAIGON.

3. THIS NEW SITUATION, MARJAI SAID, WILL FURTHER REDUCE EFFECTIVENESS OF ICCS, ELIMINATE ANY POSSIBILITY OF FUNCTIONING, AND AT SAME TIME MAKE HEADQUARTERS SITUATION IMPOSSIBLE BECAUSE PERSONNEL OF LOCAL INSPECTION TEAMS CANNOT BE MAINTAINED IN SAIGON FOR MORE THAN FEW DAYS. SAIGON SITUATION IS EQUALLY SERIOUS, "NO GASOLINE AVAILABLE SINCE EARLY SEPTEMBER," AND SUCH SERIOUS ECONOMIC PROBLEMS

CANNOT BE SUSTAINED. HE ADDED "THE SITUATION IS THE SAME FOR THE OTHER THREE MEMBERS TOO, WHETHER THEY SAY SO OR NOT AND ALL FOUR ARE LIKELY TO AGREE ON THIS SUBJECT. BUT EVEN IF WE ARE THE ONLY ONES, BECAUSE AMONG THE FOUR WE ARE THE POOREST, WE IN ANY EVENT CANNOT CONTINUE UNDER THESE CIRCUMSTANCES."

4. MARJAI EMPHASIZED THAT GOH WOULD VERY MUCH LIKE TO AVOID PROBLEMS OF MUTUAL RECRIMINATIONS STEMMING FROM THIS ISSUE WHICH HE SAW AS SEPARATE FROM THE OTHERS. HE SUGGESTED THAT SINCE ICCS HAS NO RIGHTS OR OPTIONS AVAILABLE TO IT THAT USG AND OTHER THREE PARIS SIGNATORIES URGENTLY SEEK SOLUTION TO THIS QUESTION IF THEY WISH ICCS TO CONTINUE FUNCTIONING.

5. AMBASSADOR ASKED WHETHER GOH IS MAKING SIMILAR PRESENTATION TO PRG AND NORTH VIETNAMESE. MARJAI REPLIED "YES OF COURSE." AMBASSADOR THEN SAID THAT HE WAS AWARE THAT THIS PROBLEM HAD BEEN DISCUSSED IN SAIGON WITH THE POLISH CHAIRMAN OF ICCS. SINCE INDICATIONS WERE THAT ALL FOUR ICCS MEMBERS CONCERNED OVER DIFFICULTIES, AMBASSADOR EMPHASIZED HE HOPED THERE WOULD BE NO QUESTION OF UNILATERAL GOH WITHDRAWAL FROM ANY LOCAL INSPECTION SITES. CONFIDENTIAL

CONFIDENTIAL

PAGE 03 BUDAPE 02670 231506Z

MARJAI REPLIED HE SUPPOSED THERE WOULD BE UNIFIED ACTION BUT THAT WOULD ONLY MAKE IT THAT MUCH WORSE.

6. AMBASSADOR THEN STATED THAT USG POSITION WAS ONE OF ENCOURAGING NOT ONLY THAT LOCAL TEAMS STAY AT INSPECTION SITES BUT THAT THEY RETURN TO THOSE PREVIOUSLY ABANDONED. IN ANY EVENT, HE URGED GOH NOT TO USE FINANCIAL SITUATION AS EXCUSE FOR FURTHER UNILATERAL WITHDRAWALS.

MARJAI SAID THAT WHILE ALL FOUR MEMBERS WERE CONCERNED AND LIKELY TO ACT TOGETHER HE COULD NOT PROMISE THAT LACKING SUCH UNANIMITY GOH WILL CARRY ON INDEFINITELY IN LIGHT OF STEADILY GROWING HARD CURRENCY COSTS BEYOND THAT TWO PERCENT OF COSTS WHICH HUNGARY RELUCTANTLY ACCEPTED AS ITS SHARE AT THE BEGINNING.

7. AMBASSADOR THEN TOLD MARJAI THAT U.S. CONGRESS WAS NOW STUDYING REQUEST VICESUPPLEMENTAL APPROPRIATION BUT WHILE HOPEFUL THAT THIS WILL RESULT IN ADDITIONAL FUNDS IT WAS IMPORTANT TO EMPHASIZE THAT USG WAS BEING ASKED TO CONTRIBUTE MORE THAN ITS SHARE AND THAT THE REAL PROBLEM IS NOT THE U.S. OR GVN SIDE BUT PRG AND NORTH VIETNAMESE SIDE. MARJAI SAID THAT THIS WAS INTERNAL AFFAIR OF SIGNATORIES, THAT GOH DID NOT MAKE THE PARIS AGREEMENTS AND DID NOT PARTICIPATE IN DECISION ON HOW TO FINANCE ICCS.

8. AMBASSADOR PROMISED MARJAI TO GET STATUS REPORT OF APPROPRIATION REQUEST IN CONGRESS AND ADVISE HIM ASAP WHAT PROSPECTS WERE. HOWEVER, AMBASSADOR ADDED, EVEN IF ADDITIONAL FUNDS APPROVED THUS SUBSTANTIALLY ALLEVIATING SITUATION IN IMMEDIATE FUTURE, LONG RUN SOLUTION REQUIRED OTHER SIDE TO ALSO MAKE ITS SHARE OF PAYMENTS.

9. ACTION REQUESTED: WOULD APPRECIATE DEPT GUIDANCE ASAP ON STATUS SUPPLEMENTAL APPROPRIATION REQUEST.
MUDD

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: MILITARY PERSONNEL, TRUCE OBSERVERS, TROOP REDUCTIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 23 SEP 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: izenbei0
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974BUDAPE02670
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: DG ALTERED
Executive Order: GS
Errors: N/A
Film Number: D740267-0174
From: BUDAPEST
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740923/aaaaatop.tel
Line Count: 144
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators:
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: izenbei0
Review Comment: n/a
Review Content Flags:
Review Date: 01 MAY 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <01 MAY 2002 by ifshinsr>; APPROVED <10 MAR 2003 by izenbei0>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: GOH NOTICE OF PLANS RE ICCS FINANCIAL DIFFICULTIES
TAGS: MARR, EFIN, VS, HU, US, ICCS, (MARJAI)
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005